



NEWS RELEASE

MDA SPACE REPORTS FIRST QUARTER 2025 RESULTS

- *Q1 2025 Highlights*
 - *Backlog of \$4.8 billion at quarter-end, up 46% YoY*
 - *Revenues of \$351.0 million, up 68% YoY*
 - *Adjusted EBITDA¹ of \$68.6 million, up 63% YoY, and adjusted EBITDA margin¹ of 19.5%*
 - *Adjusted net income¹ of \$37.2 million, up 103% YoY, and adjusted diluted earnings per share¹ of \$0.29, up 93% YoY*
 - *Operating cash flow of \$267.0 million*
 - *Net cash position of \$376.3 million at quarter-end*
- *Reaffirmed 2025 full-year financial outlook*

Brampton, Ontario (May 8, 2025) -- MDA Space Ltd. (TSX: MDA), a trusted space mission partner to the rapidly expanding global space industry, today announced its financial results for the first quarter ended March 31, 2025.

"Q1 marked a strong start to the year with the MDA Space team delivering another quarter of solid growth in our top and bottom lines as we continued to execute and convert our backlog," said Mike Greenley, Chief Executive Officer of MDA Space.

"With robust momentum in our end-markets, we continue to grow our backlog, which at quarter-end stood at ~\$5 billion providing good revenue visibility for 2025 and beyond. Notable awards in Q1 included a contract from Globalstar for its next generation LEO constellation which will include more than 50 MDA AURORA™ digital satellites," continued Mr. Greenley.

"Subsequent to quarter-end, we announced that we have entered into a definitive agreement to acquire SatixFy Communications, a transaction that once complete, will further enhance our end-to-end satellite systems offering as demand for next generation digital satellite communications continues to accelerate."

Q1 2025 HIGHLIGHTS

- Backlog of \$4.8 billion at quarter-end provides good revenue visibility for 2025 and beyond and was up 46% compared to Q1 2024. The year-over-year increase is driven by new order bookings including the Globalstar next generation LEO constellation award in Q1 2025.
- Revenues of \$351.0 million in Q1 2025 were up 68% year-over-year driven by higher revenues across our business areas with strong contributions from Satellite Systems business.
- Adjusted EBITDA⁽¹⁾ of \$68.6 million in Q1 2025 compared to \$42.0 in Q1 2024, representing an increase of 63% year-over-year driven by higher volumes of work. Adjusted EBITDA margin⁽¹⁾ was 19.5% in Q1 2025, in line with 20.1% reported in Q1 2024 and consistent with the Company's full year margin guidance of 19%-20%.
- Adjusted net income for Q1 2025 was \$37.2 million compared to \$18.3 in Q1 2024, representing an increase of 103% year-over-year driven by higher operating income. Adjusted diluted earnings per share of \$0.29 in Q1 2025 compared to \$0.15 in Q1 2024, representing an increase of 93% year-over-year.
- Operating cash flow was \$267.0 million in Q1 2025 compared with \$24.7 million in Q1 2024. The year-over-year increase in operating cash flow was driven by positive working capital contributions primarily related to the Globalstar next generation LEO constellation and Telesat Lightspeed constellation programs.
- Net cash position of \$376.3 million at quarter-end, compared to a net cash position of \$166.7 million as of December 31 2024 as the Company utilized its strong operating cash flow in 2024 to deleverage the balance sheet.

¹As defined in the “Non-IFRS Financial Measures” section

2025 FINANCIAL OUTLOOK

As a trusted mission partner and leading global space technology provider, we are leveraging our capabilities and expertise to execute on targeted growth strategies across our end markets and business areas. Our strategic initiatives, which span across our three businesses, include investing in next generation space technology and services, expanding our presence in high growth markets and geographies, scaling and expanding skills, talent and operations to meet current and future market demand and leveraging strategic M&A to complement organic growth. We continue to make good progress against our long-term strategic plan.

MDA Space is well positioned to capitalize on strong customer demand and robust market activity given our diverse and proven technology offerings. Our growth pipeline is significant and underpinned by existing and new programs and our book of business is healthy. We see activities ramping up in line with our expectations and are encouraged by the team's solid execution.

For fiscal 2025, we reaffirm the previous outlook provided in our Q4 2024 earnings release and continue to expect full year revenues to be \$1.50 – \$1.65 billion, representing year-over-year growth of approximately 45% at the mid-point of guidance. We continue to expect full year adjusted EBITDA to be \$290 – \$320 million, representing year-over-year growth of approximately 40% at the mid-point of guidance, and approximately 19% – 20% adjusted EBITDA margin. We reaffirm our expectations that capital expenditures will be \$210 – \$240 million in 2025, comprising of growth investments to support the previously outlined growth initiatives across our business areas. We continue to expect full year free cash flow to be neutral to positive in 2025.

For Q2 2025, we expect revenues to be \$360 – \$380 million as we continue to execute on our backlog.

Note that the provided 2025 financial outlook does not incorporate any potential impact from the U.S. tariffs announced this year on articles imported from Canada or the retaliatory Canadian tariffs imposed on Canadian imports from the U.S. MDA Space continues to work collaboratively with our customers to identify solutions and explore mitigation strategies. The Company will continue to closely monitor developments and may elect to update its financial outlook if deemed necessary.

FINANCIAL OVERVIEW

KEY INDICATORS SUMMARY

<i>(in millions of Canadian dollars, except per share data)</i>	First Quarters Ended	
	March 31, 2025	March 31, 2024
Revenues	\$ 351.0	\$ 209.1
Gross profit	79.7	57.9
Gross margin	22.7%	27.7%
Adjusted EBITDA	68.6	42.0
Adjusted EBITDA margin	19.5%	20.1%
Adjusted Net Income	37.2	18.3
Adjusted Diluted EPS	\$ 0.29	\$ 0.15

<i>(in millions of Canadian dollars, except for ratios)</i>	As at	
	March 31, 2025	March 31, 2024
Backlog	\$ 4,838.4	\$ 3,312.2
Net debt ² to Adjusted TTM ³ EBITDA ratio	(1.5)x	(0.8)x

²As defined in the 'Non-IFRS Financial Measures' section

³TTM: trailing twelve months

REVENUES BY BUSINESS AREA

<i>(in millions of Canadian dollars)</i>	First Quarters Ended	
	March 31, 2025	March 31, 2024
Geointelligence	\$ 51.7	\$ 51.5
Robotics & Space Operations	77.3	70.6
Satellite Systems	222.0	87.0
Consolidated revenues	\$ 351.0	\$ 209.1

Revenues

Consolidated revenues for the first quarter of 2025 were \$351.0 million, representing an increase of \$141.9 million (or 67.9%) from the first quarter of 2024. The year-over-year increase in revenues was driven by higher revenues across our business areas with strong contributions from our Satellite Systems business.

By business area, revenues in Geointelligence for the first quarter of 2025 were \$51.7 million, which represents an increase of \$0.2 million (or 0.4%) from the same period in 2024. Revenues in Robotics & Space Operations for the first quarter of 2025 were \$77.3 million, which represents an increase of \$6.7 million (or 9.5%) from the same period in 2024 driven by the ramp of Phase C of the Canadarm3 Program which was awarded in Q2 2024. Revenues in Satellite Systems for the first quarter of 2025 were \$222.0 million, which represents an increase of \$135.0 million (or 155.2%) from the same period in 2024 driven by the ramp up of the Telesat Lightspeed program and the Globalstar next generation LEO constellation program, the latter definitized in February 2025.

Gross Profit and Gross Margin

Gross profit reflects our revenues less cost of revenues. Q1 2025 gross profit of \$79.7 million represents a \$21.8 million (or 37.7%) increase over Q1 2024 driven by higher volumes of work performed in our Satellite Systems and Robotics & Operations businesses. Gross margin in Q1 2025 was 22.7%, which is in line with our expectations, and compares to a gross margin of 27.7% in Q1 2024 driven by an evolving program mix.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA for the first quarter of 2025 was \$68.6 million compared with \$42.0 million for the first quarter of 2024, representing an increase of \$26.6 million (or 63.3%) year-over-year driven by higher work volumes as we continue to execute on our backlog. Adjusted EBITDA margin was 19.5% for the first quarter of 2025, in line with the 20.1% adjusted EBITDA margin reported for the first quarter of 2024 and consistent with the Company's full year margin guidance of 19%-20%.

Adjusted Net Income

Adjusted net income for the first quarter of 2025 was \$37.2 million compared with \$18.3 million for the first quarter of 2024, representing an increase of \$18.9 million (or 103.3%) year-over-year largely due to higher operating income in Q1 2025.

Backlog

Backlog is comprised of our remaining performance obligations which represents the transaction price of firm orders less inception to date revenue recognized and excludes unexercised contract options and indefinite delivery or indefinite quantity contracts. Backlog as at March 31, 2025 was \$4,838.4 million, an increase of \$1,526.2 million compared with the backlog at March 31, 2024 driven by new order bookings partially offset by continued conversion of our backlog into revenue. The following table shows the build up of backlog for three months ended March 31, 2025 as compared with the same periods in 2024.

<i>(in millions of Canadian dollars)</i>	First Quarters Ended	
	March 31, 2025	March 31, 2024
Opening Backlog	\$ 4,385.5	\$ 3,097.0
Less: Revenue recognized	(351.0)	(209.1)
Add: Order Bookings	803.9	424.3
Ending Backlog	\$ 4,838.4	\$ 3,312.2

CONFERENCE CALL AND WEBCAST

MDA Space will host a conference call and webcast to discuss these financial results on Thursday, May 8, 2025 at 8:30 a.m. ET. Interested parties can join the call by dialing 416-945-7677 (Toronto area) or 1-888-699-1199 (toll-free North America) or +44-800-279-7040 (toll-free United Kingdom) and entering the conference ID 76769. A live webcast of the conference call and an accompanying slide presentation will be available at <https://mda-en.investorroom.com/events-presentations>.

A replay of the conference will be archived on the MDA Space website following the call. Parties may also access a recording of the call which will be available until May 15, 2025, by dialing 1-888-660-6345 and entering the passcode 76769 #.

NON-IFRS FINANCIAL MEASURES

This press release refers to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, the measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Adjusted Earnings per Share, Order Bookings, Net Debt and Free Cash Flow, to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We define EBITDA as net income (loss) before: i) depreciation and amortization expenses, ii) provision for (recovery of) income taxes, and iii) finance costs. Adjusted EBITDA is calculated by adding to and deducting from EBITDA, as applicable, certain expenses, costs, charges or benefits incurred in such period which in management's view are either not indicative of underlying

business performance or impact the ability to assess the operating performance of our business, including i) unrealized foreign exchange gain or loss ii) unrealized gain or loss on financial instruments and iii) share-based compensation expenses, and iv) other items that may arise from time to time. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenue. Order Bookings is the dollar sum of contract values of firm customer contracts. Adjusted Net Income is calculated by adding to and deducting from net income, as applicable, certain expenses, costs, charges or benefits incurred in such period which in management's view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including i) amortization of intangible assets related to business combinations, ii) unrealized foreign exchange gain or loss, iii) unrealized gain or loss on financial instruments, and iv) share-based compensation expenses, and iv) other items that may arise from time to time. Adjusted Earnings per Share represents Adjusted Net Income divided by the weighted average number of shares outstanding. Order Bookings is indicative of firm future revenues; however, it does not provide a guarantee of future net income and provides no information about the timing of future revenue. Net Debt is the total carrying amount of long-term debt including current portions, as presented in the Q1 2025 Financial Statements, less cash (or plus bank indebtedness) and excluding any lease liabilities. Net Debt is a liquidity metric used to determine how well the Company can pay all of its debts if they were due immediately. Free Cash Flow is a supplemental measure used to monitor the availability of discretionary cash generated, and available to the Company to repay debt, make strategic investments, and meet other payment obligations. We define Free Cash Flow as operating cash flows less net capital expenditures.

FORWARD-LOOKING STATEMENTS

This press release may contain forward looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events. Forward looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward looking information. Such risks and uncertainties include, but are not limited to the factors discussed under "Risk Factors" in the Company's Annual Information Form (AIF) dated March 7, 2025 and available on SEDAR+ at www.sedarplus.ca. MDA Space does not undertake any obligation to update such forward looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

ABOUT MDA SPACE

Building the space between proven and possible, MDA Space (TSX:MDA) is a trusted mission partner to the global space industry. A robotics, satellite systems and geointelligence pioneer with a 55-year+ story of world firsts and more than 450 missions, MDA Space is a global leader in communications satellites, Earth and space observation, and space exploration and infrastructure. The MDA Space team of more than 3,400 space experts in Canada, the US and the UK has the knowledge and know-how to turn an audacious customer vision into an achievable mission – bringing to bear a one-of-a-kind mix of experience, engineering excellence and wide-eyed wonder that's been in our DNA since day one. For those who dream big and push boundaries on the ground and in the stars to change the world for the better, we'll take you there. For more information, visit www.mda.space.

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MDA Space Ltd

Unaudited Interim Condensed Consolidated Statement of Comprehensive Income

For the three months ended March 31, 2025 and 2024

(In millions of Canadian dollars except per share figures)

	Three months ended March 31, 2025	Three months ended March 31, 2024
Revenue	\$ 351.0	\$ 209.1
Cost of revenue		
Materials, labour and subcontractors	(257.6)	(140.7)
Depreciation and amortization of assets	(13.7)	(10.5)
Gross profit	79.7	57.9
Operating expenses		
Selling, general and administration	(23.4)	(18.9)
Research and development, net	(5.5)	(9.0)
Amortization of intangible assets	(11.6)	(12.3)
Share-based compensation	(3.9)	(2.5)
Operating income	35.3	15.2
Other income (expenses)		
Unrealized gain on financial instruments	0.1	0.9
Foreign exchange gain	13.1	2.3
Finance income	1.7	0.7
Finance costs	(4.9)	(6.1)
Other income	—	6.5
Income before taxes	45.3	19.5
Income tax expense	(12.4)	(5.7)
Net income	32.9	13.8
Other comprehensive income		
Loss on translation of foreign operations	(0.8)	(1.2)
Gain on cash flow hedges	—	2.6
Remeasurement gain (loss) on defined benefit plans	(2.0)	8.3
Total comprehensive income	\$ 30.1	\$ 23.5
Earnings per share:		
Basic	\$ 0.27	\$ 0.12
Diluted	0.26	0.11
Weighted-average common shares outstanding:		
Basic	122,239,378	119,582,207
Diluted	127,589,192	123,263,439

MDA Space Ltd.

Unaudited Interim Condensed Consolidated Statement of Financial Position

March 31, 2025 and 2024

(In millions of Canadian dollars)

As at	March 31, 2025	March 31, 2024
Assets		
Current assets:		
Cash	\$ 376.3	\$ 166.7
Trade and other receivables	72.1	75.9
Unbilled receivables	271.1	250.1
Inventories	12.4	8.1
Income taxes receivable	48.0	54.0
Other current assets	71.2	71.7
	851.1	626.5
Non-current assets:		
Property, plant and equipment	529.0	496.6
Right-of-use assets	115.8	115.4
Intangible assets	585.8	580.0
Goodwill	441.6	441.0
Deferred income tax assets	6.0	9.9
Other non-current assets	321.5	328.1
	1,999.7	1,971.0
Total assets	2,850.8	2,597.5
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	283.9	248.7
Income taxes payable	2.3	1.9
Contract liabilities	938.3	761.3
Current portion of net employee benefit payable	64.4	60.2
Current portion of lease liabilities	17.9	16.2
Other current liabilities	1.7	2.7
	1,308.5	1,091.0
Non-current liabilities:		
Net employee defined benefit payable	24.1	23.7
Lease liabilities	120.2	120.6
Deferred income tax liabilities	181.3	185.4
Other non-current liabilities	1.5	0.8
Total liabilities	1,635.6	1,421.5
Shareholders' equity		
Common shares	991.4	975.8
Contributed surplus	31.5	38.0
Accumulated other comprehensive income	20.7	23.5
Retained earnings	171.6	138.7
Total equity	1,215.2	1,176.0
Total liabilities and equity	\$ 2,850.8	\$ 2,597.5

MDA Space Ltd.

Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the three months ended March 31, 2025 and 2024

(In millions of Canadian dollars)

<i>(In millions of Canadian dollars)</i>	Three months ended March 31, 2025	Three months ended March 31, 2024
Cash flows from operating activities		
Net income	\$ 32.9	\$ 13.8
Items not affecting cash:		
Income tax expense	12.4	5.7
Depreciation of property, plant, and equipment	7.0	4.2
Depreciation of right-of-use assets	3.3	3.5
Amortization of intangible assets	15.0	15.1
Gain on disposal of assets	—	(5.8)
Equity-settled share-based compensation	2.8	2.5
Investment tax credits accrued	(8.0)	(8.2)
Finance costs, net	3.2	5.4
Unrealized gain on financial instruments	(0.1)	(0.9)
Changes in operating assets and liabilities	195.8	(2.9)
	264.3	32.4
Interest paid	(2.3)	(8.1)
Income tax received	5.0	0.4
Net cash generated in operating activities	267.0	24.7
Cash flows from investing activities		
Purchases of property and equipment	(39.8)	(27.0)
Purchases/development of intangible assets	(21.9)	(13.2)
Proceeds from disposal of assets	0.2	7.4
Acquisition of subsidiary, net of cash	—	(11.6)
Net cash used in investing activities	(61.5)	(44.4)
Cash flows from financing activities		
Borrowings from senior credit facility	—	30.0
Payment of lease liability (principal portion)	(2.4)	(3.1)
Proceeds from stock options exercised	8.7	0.8
Net cash provided by financing activities	6.3	27.7
Net increase in cash	211.8	8.0
Net foreign exchange difference on cash	(2.2)	(1.2)
Cash, beginning of period	166.7	22.5
Cash, end of period	\$ 376.3	\$ 29.3

RECONCILIATION OF NON-IFRS MEASURES

The following table provides a reconciliation of net income to EBITDA, adjusted EBITDA, and adjusted net income:

<i>(in millions of Canadian dollars)</i>	First Quarters Ended	
	March 31, 2025	March 31, 2024
Net income	\$ 32.9	\$ 13.8
Depreciation and amortization of assets	13.7	10.5
Amortization of intangible assets related to business combination	11.6	12.3
Income tax expense	12.4	5.7
Finance income	(1.7)	(0.7)
Finance costs	4.9	6.1
EBITDA	\$ 73.8	\$ 47.7
Unrealized foreign exchange gain	(11.4)	(1.5)
Unrealized gain on financial instruments	(0.1)	(0.9)
Gain on disposal of assets	—	(5.8)
Acquisition, integration and reorganization costs	3.5	—
Equity-settled share-based compensation	2.8	2.5
Adjusted EBITDA	\$ 68.6	\$ 42.0

<i>(in millions of Canadian dollars)</i>	First Quarters Ended	
	March 31, 2025	March, 2024
Net income	\$ 32.9	\$ 13.8
Amortization of intangible assets related to business combination	11.6	12.3
Acquisition, integration and reorganization costs	3.5	—
Gain on disposal of assets	—	(5.8)
Unrealized (gain) loss on financial instruments	(0.1)	(0.9)
Net foreign exchange (gain) loss	(13.1)	(2.3)
Embedded derivative effects	1.1	0.4
Equity-settled share-based compensation	2.8	2.5
Income taxes related to the above items ⁽¹⁾	(1.5)	(1.7)
Adjusted Net income	\$ 37.2	\$ 18.3

⁽¹⁾ Standard income tax rate of 26.5% applied